

MINUTES

**MONTANA SENATE
58th LEGISLATURE - REGULAR SESSION**

FREE CONFERENCE COMMITTEE ON HOUSE BILL 2

Call to Order: By **CHAIRMAN TOM ZOOK**, on April 22, 2003 at 4:20 P.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Sen. Tom Zook, Chairman (R)
Rep. Dave Lewis, Chairman (R)
Sen. Bob Keenan (R)
Rep. Monica Lindeen (D)
Sen. Linda Nelson (D)
Rep. Jeff Pattison (R)

Members Excused: None.

Members Absent: None.

Staff Present: Prudence Gildroy, Committee Secretary
Taryn Purdy, Legislative Branch.

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 2, 4/22/2003
Executive Action:

CHAIRMAN TOM ZOOK advised they would do technical amendments and special revenue. They would not do any large amendments or general fund amendments.

Motion: SEN. KEENAN moved that HB00246.APJ BE ADOPTED.
EXHIBIT(frs85hb0002a01)

Taryn Purdy, Legislative Fiscal Division, advised this is a technical amendment that addresses errors in the bill or takes out contingency language.

REP. DAVE LEWIS asked about amendment #6. He asked if that is a day care amendment.

Lois Steinbeck, Legislative Fiscal Division, said it is language making the general fund that was reallocated in **SB 407** for provider rate increases contingent on passage and approval of the bill.

SEN. LINDA NELSON questioned #18 regarding funding for the **Montana University System** with \$5 million from the coal tax trust.

Ms. Purdy advised that was her error. The amendment was passed on the Senate floor that added coal tax trust to the bill. She neglected to put in that it was coal tax and was biennial. It does not change the amount of money that would go to the **University System** through that coal tax investment.

CHAIRMAN ZOOK said it makes clear the source.

Vote: Motion that HB000246.APJ BE ADOPTED carried unanimously.

Section A:

Motion/Vote: **SEN. KEENAN** moved that HB000250.ALZ BE ADOPTED.
EXHIBIT(frs85hb0002a02) Motion carried unanimously.

Section B:

Motion: **SEN. KEENAN** that HB000250.ALS BE ADOPTED.
EXHIBIT(frs85hb0002a03)

CHAIRMAN ZOOK advised the bill has been transmitted to the Governor.

Vote: Motion carried unanimously.

Motion: **SEN. NELSON** moved that HB000246.APG BE ADOPTED.
EXHIBIT(frs85hb0002a04)

CHAIRMAN ZOOK advised the bill passed 3rd reading in the House. These are federal funds.

Vote: Motion carried unanimously.

Section A:

Motion: REP. LEWIS moved that HB000217.AGD BE ADOPTED.
EXHIBIT(frs85hb0002a05)

CHAIRMAN ZOOK advised this implements the Mortgage Broker and Loan Originator Licensing Act.

REP. LEWIS advised the mortgage brokers have asked to be licensed and regulated.

Vote: Motion carried unanimously.

Motion: REP. MONICA LINDEEN moved that HB000219.AGD BE ADOPTED.
EXHIBIT(frs85hb0002a06)

REP. LINDEEN advised this is a subcommittee bill dealing with the Consensus Council.

Vote: Motion carried unanimously.

Motion/Vote: REP. LEWIS moved that HB000239.ALZ BE ADOPTED.
EXHIBIT(frs85hb0002a07) Motion carried unanimously.

Motion: SEN. KEENAN moved that HB000232.ATY BE ADOPTED.
EXHIBIT(frs85hb0002a08)

SEN. KEENAN advised the bill implements SB 484. CHAIRMAN ZOOK advised it has a small amount of general fund.

Vote: Motion carried unanimously.

Motion/Vote: SEN. KEENAN moved that HB000243.alz BE ADOPTED.
EXHIBIT(frs85hb0002a09) Motion carried unanimously.

CHAIRMAN ZOOK advised HB000244.alz requires a suspension of the rules.

Motion: SEN. NELSON moved that HB000245.ALZ BE ADOPTED.
EXHIBIT(frs85hb0002a10)

SEN. NELSON explained the amendment appropriates the money for the Montana Comprehensive Health Association (MCHA), from the 17% of the tobacco money.

SEN. KEENAN asked if MCHA is in the State Auditor's Office insurance program contract examinations.

CHAIRMAN ZOOK advised it's the program that subsidizes those with serious needs who have difficulty getting health insurance.

REP. JEFF PATTISON asked if there are Medicaid matches.

SEN. KEENAN indicated it's outside Medicaid. It's for the uninsurable. They pay about \$700 a month for insurance. They pay on a sliding scale.

CHAIRMAN ZOOK asked where the money comes from, and if it is a percentage of insurance premiums.

SEN. NELSON clarified it's a tax on the insurance companies and on premiums.

Vote: Motion carried unanimously.

Motion: **SEN. KEENAN** moved that HB000248.ALZ BE ADOPTED.

EXHIBIT(frs85hb0002a11)

REP. LEWIS didn't understand what they need the money for, and wondered if it's a contingency fund for unanticipated costs.

Bob Nelson, Consumer Council, testified the requested amendment is in response to the passage of **SB 247**. The bill establishes the opportunity for a new type of proceeding before the **Public Service Commission**. They believe it is akin to the management analysis of what resources are appropriate for the default supplier to put in their resource portfolio. The cost for the **PSC** of entering into that kind of activity was recognized in the bill. A mechanism is built into the bill. The activities of the **Consumer Council** are closely associated with the **PSC**. They are also engaged in the pre-application review that would enable a short time-frame after the filing of an application for pre-approval of a resource acquisition. They believe they would need additional resources, especially in view of the conservative budget request they made before **SB 247** was proposed and passed. The amendment is \$125,000 each year. Any carryover is treated as a reduction in the next year's collections.

REP. LEWIS asked what the dollars are for, and if they will hire consultants.

Mr. Nelson indicated yes. Most of their work in a case like this is done through contracted services. About 60% of their budget is contracted services. He envisioned the bulk of this would be done with contracted services as well.

SEN. NELSON asked if the state special revenue is actually from fees they charge. **Mr. Nelson** said the fees they collect are collected through an assessment on regulated activities of the

regulated utilities. It is calculated and collected by the **Department of Revenue**.

Vote: Motion carried unanimously.

After a brief discussion, the committee decided to wait on amendment **HB000253.ALZ. EXHIBIT(frs85hb0002a12)**

Ms. Purdy advised the amendment represents the maximum amount the statute allows the Governor's office for a loan to pay for training. It's more than was anticipated in the fiscal note. As they get into Section D, they will see an amendment for the **Department of Labor**. They are requesting an amount for administrative costs.

REP. LINDEEN advised the Senate has accepted the Conference Committee report on **HB 564**, and the House should be doing that the next day.

SEN. KEENAN advised on page 84, line 19 of the bill is for computer equipment one-time only in the Governor's office.

Ms. Purdy advised it will be a new line item within the Executive office.

Motion/Vote: SEN. NELSON moved that HB000258.ALZ BE ADOPTED. EXHIBIT(frs85hb0002a13) Vote: Motion carried unanimously.

Section B:

Motion/Vote: SEN. KEENAN moved that HB000219.ATY BE ADOPTED. Motion carried unanimously. EXHIBIT(frs85hb0002a14) {Tape: 1; Side: B}

SEN. KEENAN asked **Pat Gervais, Legislative Fiscal Division**, about amendment **HB000239.apg**, which has to do with TANF cash assistance payments, and transferring that to child care funding with unspecified reductions. **EXHIBIT(frs85hb0002a15)** He didn't know where it came from. **Ms. Gervais** indicated she was asked to draft the amendment at the request of **SEN. JOHN COBB**. It reduces the TANF cash assistance by \$1 million per year, and provides \$2 million to child care funding. It reduces the amount of the unspecified reduction included in the **Operations and Technology Division** by \$2 million. It reduces the general fund for child care in the first year of the biennium, from \$6 million to \$4 million, by using \$2 million of federal TANF funds for child care.

REP. LEWIS requested they delay the child care issue. They weren't sure exactly where the Senate left that.

CHAIRMAN ZOOK said he didn't necessarily agree with what was done in the Senate.

REP. LINDEEN asked if it would be possible to see the amendments in Section B that deal with child care in some kind of chart.

CHAIRMAN ZOOK thought that would benefit all of them.

REP. LEWIS asked about **HB000243.apg**. and if that was taken care of with the parks amendments to **SB 485. EXHIBIT(frs85hb0002a16)**

Lois Steinbeck, Legislative Fiscal Division, thought they did. That will directly appropriate the money. As long as the three sources of revenue that are currently deposited to the Prevention and Stabilization Account, the main one being the Tobacco Settlement Funds, that should be funded.

REP. LINDEEN advised they did not take care of Meals on Wheels in that amendment.

Ms. Steinbeck said she would have to look at the revised revenue estimates in **HB 722**. It is the lowest on the priority list.

REP. LINDEEN advised it is her intention to change this to take care of Meals on Wheels.

SEN. KEENAN asked about **HB000248.als**. He thought the House acted on a water's edge corporation tax (**HB 721**).
EXHIBIT(frs85hb0002a17)

REP. LINDEEN advised she was mistaken when she talked about **HB000243.apg** earlier. Because they took care of the Medicaid cost of this program in the amendment they passed on the floor today, this is the amendment she wanted to take care of the Meals on Wheels program using money from **HB 721**.

REP. LEWIS asked that when the staff does the chart on childcare, they include **HB 721** and **SB 485**.

Ms. Steinbeck advised the funding in **HB 721** for the water's edge corporation tax must be used to match Medicaid funds and cannot be used for Meals on Wheels.

CHAIRMAN ZOOK said the amendment comes out of this program.

SEN. NELSON asked if they funded the hospice program in **SB 485**.

SEN. KEENAN advised yes, but it depends what kind of appropriation is put in **SB 485** in the House. It was sent over as a line item.

REP. LEWIS advised they adopted **REP. EDITH CLARK'S** amendment to **SB 485**.

Ms. Steinbeck believed there is enough revenue with the three bills that put revenue into the Prevention and Stabilization Fund to fund all priorities with the potential exception of all or part of Meals on Wheels.

CHAIRMAN ZOOK said they can remove the amendment from the book.

Motion: **SEN. KEENAN** moved that **HB000250.APG BE ADOPTED**.
EXHIBIT (frs85hb0002a18)

Ms. Steinbeck advised **SB 473** is **SEN. JIM ELLIOTT'S** bill which established a prescription drug program funded with Medicaid.

Vote: Motion carried unanimously.

Motion: **SEN. KEENAN** moved that **HB000252.ALS BE ADOPTED**.
EXHIBIT (frs85hb0002a19)

SEN. KEENAN advised this is voluntary donations for vehicle registration for a traumatic brain injury advisory council in **HB 698**.

SEN. NELSON asked what happens if there is not enough money to fund this council.

Ms. Steinbeck explained the appropriation side of it needs authority in **HB 2**, for which there is no cash to spend. The department could, under other statutes, transfer it around to other state special accounts. If there is no money to fund the council, the department will have to look for other funding sources, which could include federal grants, or other ways to convene the council.

CHAIRMAN ZOOK asked what the advisory council does.

Ms. Steinbeck replied it is newly formed, and will provide the department with advice. The department received a federal planning grant for a traumatic brain injury education program. They want to apply to get a better plan funded with a federal grant.

CHAIRMAN ZOOK said he would like to know what they really do. He said he served on advisory councils, and knows just how much they are worth.

John Chappuis, DPHHS, stated the advisory council would provide the department with advice, help them to set up the rules, and also provide assistance with policies.

CHAIRMAN ZOOK asked if the council gives input as to what functions the department should be doing. He wondered what kind of rules and policies were involved.

Mr. Chappuis stated they have rules which provide the department guidance on how to either expend the money or implement the money in terms of who would be eligible for a program, what services would be involved, and the best possible way to serve the client. After that input, the department would then put together the rules, if they were deemed in line with the statute.

SEN. NELSON stated this is a new council created because of this bill. **Mr. Chappuis** said that is correct. **SEN. NELSON** asked how many members would be on this council. **Mr. Chappuis** said they haven't determined that, but typically there would be 6-8 members from various areas of the state and with various expertise. **SEN. NELSON** asked if they would be appointed by the Governor. **Mr. Chappuis** indicated probably the director.

CHAIRMAN ZOOK asked what the backgrounds would be of the council members. **Mr. Chappuis** replied for traumatic brain injury, there are providers who work with clients with this problem. Missoula has a very strong program. It could be medical personnel, psychiatrists, psychologists, citizens, or parents.

Vote: Motion carried unanimously.

Motion: **SEN. KEENAN** moved that HB000260.ALS BE ADOPTED.
EXHIBIT(frs85hb0002a20)

SEN. KEENAN said this a revised fiscal note after House amendment to **SB 464**, which he carried. It passed on second reading in the Senate and the House amendments were accepted. It is state special revenue.

Vote: Motion carried unanimously.

Section C:

Motion/Vote: SEN. NELSON moved that HB000236.ATY BE ADOPTED.
EXHIBIT(frs85hb0002a21) Vote: Motion carried unanimously.

Motion: REP. LINDEEN moved that HB000240.AGH BE ADOPTED.
EXHIBIT(frs85hb0002a22)

REP. LINDEEN said this would implement SB 409 for development of the Otter Creek coal reserves.

CHAIRMAN ZOOK said his book says general fund.

SEN. KEENAN advised the description is state special.

Ms. Purdy advised it is state special.

SEN. KEENAN stated the description talks about state special, but the actual language says general fund.

Substitute Motion: SEN. KEENAN made a substitute motion that TO CHANGE "GENERAL FUND" TO "STATE SPECIAL REVENUE".

Vote: Motion carried unanimously.

REP. LINDEEN asked about the source of the state special revenue.

Gary Hamel, Legislative Fiscal Division, apologized for his error.

REP. LINDEEN withdrew her motion.

SEN. KEENAN advised this amendment now has state special revenue.

Motion: REP. PATTISON moved HB000243.AGH BE ADOPTED.
EXHIBIT(frs85hb0002a23)

REP. PATTISON advised this is for the Zortman and Landusky water treatment plant at the mine site.

Jan Sensibaugh, Director, Department of Environmental Quality, advised last session they got bonding authority up to \$8 million, with the revenue stream coming from the metalliferous mine tax. That bonding authority was so they could sell bonds when they had absolutely no other source of revenue to do reclamation at the mines. They sold \$2.5 million of that \$8 million. This amendment would set aside another \$2.5 million the department would have to hold. The department would sell those bonds if the US Congress appropriated money for the cleanup. The money for Zortman is in the Bureau of Land Management's budget. The

department has been lobbying Congress heavily to get that money. They can't predict whether Congress will give them the money or not, but if they do, this would give the department \$2.5 million to match that to do the cleanup at Zortman and Landusky.

{Tape: 2; Side: A}

CHAIRMAN ZOOK asked how they pay the debt service on bonds.

Ms. Sensibaugh responded they wouldn't sell the bonds. All they would do is set aside \$2.5 million of bond authority that they wouldn't sell for something else. They would reserve that authority and wouldn't sell the bonds until the federal money came first.

Vote: Motion carried unanimously.

Motion/Vote: SEN. KEENAN moved that HB000245.AGH BE ADOPTED.
EXHIBIT(frs85hb0002a24) Motion carried unanimously.

Motion/Vote: SEN. NELSON moved that HB000247.AGH BE ADOPTED.
EXHIBIT(frs85hb0002a25) Motion carried unanimously.

Motion: SEN. KEENAN moved that HB000251.AGH BE ADOPTED.
EXHIBIT(frs85hb0002a26) **Vote:** Motion carried unanimously.

Section D:

REP. LEWIS advised there are three or four amendments on the **Fire Prevention and Investigation Bureau**. He believed **SEN. NELSON'S** amendment adds back two people and other amendments add less.

Todd Younkin, Legislative Fiscal Division, advised **HB000222.aty** adds back in one FTE, and the funding is from state special revenue. Amendment **HB000245.aty** is **SEN. NELSON'S** amendment, and they would also be looking at **HB000247.aty**. These amendments are very similar. **HB000247.aty** takes all the remaining general fund within the **Gambling Control Division**, moves it over to the **Fire Prevention Bureau**, and funds four FTE. **SEN. NELSON'S** amendment does the exact same thing, only with 2 FTE.

REP. LINDEEN asked what was the state special revenue source in **HB000222.aty**. **Mr. Younkin** responded the source is the fire protection coming into the state special revenue.

REP. LEWIS asked about the impact of taking all of the general fund out of the **Gambling Control Division**.

Mr. Younkin said that was left for the automated recording system.

REP. PATTISON asked if 227 and 247 bring them back up to full funding. He wondered if 222 was needed.

Mr. Younkin advised 247 does not add back in the FTE that is in 222. The bureau started with 10.5 FTE. Of those, 2.5 were moved into the **Investigations Bureau**. The department is still counting those as being related to fire investigation. That left eight FTE, which were eliminated. Three were put back on the Senate floor, leaving five FTE eliminated. One was state special revenue, and the other four are the ones in 247.aty.

CHAIRMAN ZOOK asked if the two amendments would fully restore them.

Mr. Younkin replied that 222 and 247 would restore them back to the level the department considers fully funded, because of the 2.5 FTE in the **Investigations Bureau**. This will leave eight within the **Fire Prevention Bureau**, and 2.5 in the **Investigations Bureau**. The total is 10.5, which was in the Executive's budget.

REP. PATTISON asked if this is all state special.

Mr. Younkin indicated one is state special, and 247.aty is general fund.

REP. LINDEEN asked if this would be one-time funding for the biennium for these three positions being added back in. **CHAIRMAN ZOOK** said from the **Gambling Division** it would be.

Mr. Younkin advised the money in the **Gambling Control Division** is in the base, so it's not technically a one-time source of revenue. He didn't think the amendment was written to make it one-time funding.

SEN. KEENAN thought 223.aty is a technical amendment, if they accept the Senate floor amendment. This amendment adjusts the operating budget and smooths it out between the two fiscal years.

SEN. ZOOK thought that is correct. He said it is an alright amendment.

Motion/Vote: **SEN. KEENAN** moved that HB000223.ATY BE ADOPTED. **EXHIBIT**(frs85hb0002a27) Motion carried unanimously.

REP. LEWIS asked about adopting 222 and 247. **CHAIRMAN ZOOK** said they would be back to 100% staffing in that area. **REP. LEWIS** wondered if there would be too much money then, considering 223. **Mr. Younkin** advised when the FTE were put back on the Senate floor, all of the operating for those positions was dropped into one year, instead of being spread out. This amendment just spread them out two and one-half years.

SEN. KEENAN noted 247 would take \$461,700 from the **Gambling Control Division**. He asked if that is one-time-only or is it in their base when the legislature comes back in two years. **Mr. Younkin** affirmed it's in their base. **SEN. KEENAN** said it's a one-time-source for this biennium, but in their base when they come back. **Mr. Younkin** indicated it's not a one-time-source. It was in the base within the **Gambling Control Division**. If the **Gambling Division** would have spent it in this biennium, it would have carried on also. It's not technically a one-time source of funding.

CHAIRMAN ZOOK advised the language at the bottom of 247.aty says this amendment would bring the FTE up to one less than the Executive request. That one is covered in 222.aty. **Mr. Younkin** said that is correct.

SEN. NELSON said the actual money for this is from automated collections which is actually general fund. If they don't fully fund this, then the money is in the general fund for other uses. **Mr. Younkin** said if they adopted her amendment, and not 247, the general fund would still be in the **Gambling Control Division** program. If they weren't able to use it and it reverted, it would go back into the general fund. Her amendment doesn't necessarily help the general fund balance, because it's still appropriated to the **Gambling Control Division**. **SEN. NELSON** asked what would cause it to be reverted into the general fund so they could use it for other programs. **Mr. Younkin** advised to be reverted, it would have to be unspent. **SEN. NELSON** asked if it is theirs to use if it stays in there. **Mr. Younkin** replied yes.

CHAIRMAN ZOOK said they could appropriate it.

Motion: **REP. LEWIS** moved that HB000247.ATY BE ADOPTED.

EXHIBIT(frs85hb0002a28) Vote: Motion carried 5-1 with **KEENAN** voting no.

Motion: **REP. LINDEEN** moved that HB000222.ATY BE ADOPTED.

EXHIBIT(frs85hb0002a29) Vote: Motion carried unanimously.

Motion: SEN. NELSON moved that HB000248.ATY BE ADOPTED.
EXHIBIT(frs85hb0002a30)

REP. LINDEEN asked about HB 641.

Wayne Budt, Public Service Commission stated HB 641 was a bill that related to non-discriminatory payments for inter-carrier compensation between telecommunications companies. It allows a carrier to demand the appropriate information, so they can do the appropriate billing. The commission is the agency that has to settle these disputes.

CHAIRMAN ZOOK said it is 1/2 FTE, and is \$50,000. Mr. Budt said for the biennium.

REP. PATTISON how they came up with an estimate of five cases per year. Mr. Budt said after much diligence, that was the best guess staff could come up with. They don't currently regulate some of these companies, such as wireless companies, etc. There are a couple hundred of these companies.

REP. PATTISON asked what if there are five times that many. Mr. Budt assumed they eat it until the next time around.

CHAIRMAN ZOOK noted Mr. Younkin advised they could strike the language that the increase is contingent on passage and approval.

Vote: Motion carried unanimously.

REP. PATTISON wondered about HB000245.aty, and was told it is not necessary.

SEN. KEENAN advised eight bills are contingent on this language in HB000230.aty.

Ms. Purdy explained HB 174, HB 181, HB 542, and HB 196, have chapter numbers, HB 671 has been transmitted to the Governor. SB 109 has a chapter number, and SB 306 has been transmitted to the Governor. SB 342 missed the deadline.

Mr. Younkin advised that is a typo, and it should be SB 432, which has been signed by the Governor.

Motion: SEN. KEENAN moved that HB000230.ATY BE ADOPTED.
EXHIBIT(frs85hb0002a31) **Vote:** Motion carried unanimously.

SEN. KEENAN asked about HB 564. REP. LINDEEN advised there will be a conference committee report in the House tomorrow.

Amendment **HB000231.aty** gives the **Department of Labor** the authority to spend \$250,000 state special revenue to implement the bill.

SEN. KEENAN asked about **HB 761**. **Ms. Purdy** indicated it has been transmitted to the Governor.

Motion: **SEN. KEENAN** moved that **HB000235.ATY** BE ADOPTED.
EXHIBIT(frs85hb0002a32) **Vote:** Motion carried unanimously.

Motion: **SEN. KEENAN** moved that **HB000237.ATY** BE ADOPTED.
EXHIBIT(frs85hb0002a33) **Vote:** Motion carried unanimously.

SEN. KEENAN asked about **HB000239.aty**. **Mr. Budt** advised the amendment is an amendment on **HB 580**. It is along the same lines, but more comprehensive as their last amendment. IT is an expedited complaint process to resolve interconnection and exchange access disputes between telecommunications companies. The last **PSC** amendment referred to a receiving carrier. This relates to an access line dispute by a small company to a large company that will come before the commission. These are new wireless and telephone operatives. The **PSC** is required to settle these within 120 days, and that is the reason for the amendment--to take evidence from all the parties, discovery, affidavits, cross examination etc. It is a guess on the number of cases they will have.

{Tape: 2; Side: B}

REP. LINDEEN asked if the **PSC** currently settles these disputes, and if **HB 580** makes the time frame shorter in which to settle those. **Mr. Budt** said the **PSC** didn't have the authority to settle these disputes, but they do now with **HB 580**. This will apply to all carriers in addition to the ones they traditionally regulate. If there is a dispute, they bring it to the **PSC**, and it's on the fast track to be settled within 120 days.

REP. LINDEEN asked if it is about five cases per year. She asked if they looked at other states who have the authority to settle these disputes for how many cases they're having on average. **Mr. Budt** did not know for sure. The numbers were compiled by attorneys, etc., on the utilities side.

REP. PATTISON noted with 239 and 248, they are just giving one guy \$100,000. He asked if one guy is going to do both jobs. **Mr. Budt** didn't know if it would be one person. There was discussion it might take an additional attorney or economist, or somebody with some expertise in telecommunications. It might be two half-time people. **REP. PATTISON** said everything else is identical.

SEN. KEENAN noted both 248 and 239 are in his name at the request of the **Office of Budget and Program Planning**. He asked who gave the information to draft these amendments. **Mr. Younkin** advised these came from the budget office.

CHAIRMAN ZOOK indicated staff says the fiscal note shows the exact same figures. The **PSC** did the fiscal notes.

Motion: **SEN. KEENAN** moved that HB000239.ATY BE ADOPTED.
EXHIBIT(frs85hb0002a34) **Vote:** Motion carried unanimously.

Motion: **SEN. KEENAN** moved that HB000240.ATY BE ADOPTED.
EXHIBIT(frs85hb0002a35)

SEN. KEENAN advised this is in accordance with the fiscal note, and **HB 220** has been signed by the Governor.

REP. LEWIS said when they looked at this, they couldn't figure out why three people were needed to process restitution paper work.

Joe Williams, Department of Corrections, advised there are roughly 9,000 adult offenders that are making restitution. There are 140 probation and parole officers and three or four restitution provision parole officers. This dedicates these three FTE solely to making sure restitution payments are being made to crime victims.

Vote: Motion carried unanimously.

REP. LINDEEN questioned the passage of amendments 239 and 240.aty for the **PSC**. Both of them strike the same numbers and insert the exact same numbers. She wondered how passing the same amendment twice works on the line item.

SEN. KEENAN said it would strike the one and then the two .50's would be added together.

Ms. Purdy advised they are added cumulatively to the bill.

Motion: **SEN. KEENAN** moved that HB000241.ATY BE ADOPTED.
EXHIBIT(frs85hb0002a36) **Vote:** Motion carried unanimously.

REP. LINDEEN asked for clarification on the amendment. **SEN. KEENAN** advised it implements **SB 118**, a license plate bill that changes the fees on specialty license plates. **CHAIRMAN ZOOK** says it will show as an increase. **SEN. KEENAN** said don't spend it yet.

Motion: SEN. KEENAN moved that HB000242.ALT BE ADOPTED.
EXHIBIT (frs85hb0002a37)

CHAIRMAN ZOOK said this is \$500,000 in state special for the **PSC** for **SB 247**.

SEN. KEENAN hoped the default supplier could afford the fee.

REP. PATTISON said they just gave them \$100,000, and he wondered if this is about the same thing.

Mr. Budt advised the amendment deals with the energy side--the default supplier. In this case, it's Northwest Energy. This bill brings the decision on their energy supply portfolio to the **PSC**. The **PSC** has 180 days to make a decision on these portfolios. If the **PSC** approves them, they are part of the portfolio for the life of that plan. They are asking for a consultant only if a plan comes forward. The money would come from the default supplier, based on rule and this is spending authority for that. The default supplier would pay the cost of the **PSC** hiring a consultant to make sure the long term power purchase agreements are correct and prudent before the **PSC** gives approval.

REP. LEWIS asked if this is the estimate that was on the fiscal note. **Mr. Budt** replied it was, within a thousand or two.

CHAIRMAN ZOOK asked what would happen if they didn't get this money, and if the bill would require them to do this anyway. **Mr. Budt** said yes, but whether they had the expertise to do it on the staff is questionable. It is a whole new area for them.

Vote: Motion carried unanimously.

Motion: REP. LINDEEN moved that HB000244.ATY BE ADOPTED.
EXHIBIT (frs85hb0002a38)

REP. LEWIS advised there is no state special or general fund; it is just language to the **Department of Labor** concerning labor market reports. **CHAIRMAN ZOOK** asked if this involves the BIA and the Montana Tribes. **REP. LINDEEN** said yes.

SEN. KEENAN asked where this came from, if the department was aware of it, and if there was no fiscal note attached to it. He thought this was almost like getting a bill passed in an amendment. **REP. LINDEEN** said she did not talk to the **Department of Labor**. **REP. CAROL JUNEAU** and **REP. NORMA BIXBY** asked for this amendment. The Bureau of Indian Affairs and the Tribes would

actually develop the report, and the **Department of Labor**, would collaborate and use that information in labor study reports.

Mr. Younkin advised there have been some issues with the numbers the **Department of Labor** reports for unemployment statistics. There are some differences between those that the BIA reports on the reservations versus what the department reports for the state. This BIA and the Tribes publish reports. This language is an attempt to get the department to work with them and at least include that report as an addendum or an attachment. It wouldn't necessarily have to affect the numbers, but the information would at least be included.

CHAIRMAN ZOOK didn't think they include agricultural labor in their statistics either.

REP. LEWIS said he got involved in a long discussion on the House floor on this issue, and was given some information from the **Department of Labor**. The concern from some of the Representatives was the state reports are under-rated by 5%. They have 50%, 60%, and 70% unemployment rates on some of the reservations. The problem is the BIA does their numbers differently. He was a little nervous about the word "will."

Substitute Motion: **REP. LEWIS** made a substitute motion TO CHANGE "WILL" TO "MAY".

Vote: Motion carried unanimously.

CHAIRMAN ZOOK noted they had trouble in the past with inappropriate language in **HB 2**. He didn't know if this fits in that category or not. He asked **Clayton Schenck, Legislative Fiscal Analyst**, to speak to that directive language, and wondered if it is appropriate for **HB 2**.

Mr. Schenck didn't think there is a problem with it, especially since they changed "will" to "may." It isn't referenced to a specific appropriation, it requests a report. **CHAIRMAN ZOOK** thought it is pretty directive. **Mr. Schenck** advised he would verify it with **Greg Petesch, Code Commissioner**. If there is an issue with it, they can reconsider their action.

SEN. KEENAN thought he would vote no on this today, but would negotiate the votes on **HB 2** on the House floor when they bring it back, if they pass this amendment.

Ingrid Childress, Department of Labor, advised the **Research and Analysis Bureau** is within the **Workforce Services Division**, and they would be the ones charged with doing this.

SEN. KEENAN asked if these reports would be easy to do if the numbers are different from the BIA and the Tribes numbers. He wondered if this would ultimately have a fiscal note for a half FTE to accomplish these reports.

Ms. Childress replied they were asking the department to publish the BIA labor market data. She believed they could publish that on their website, with the caveat that if the methodology is significantly different than what the **Research and Analysis Bureau** is required to produce by contract with the federal Bureau of Labor Statistics, then they can't publish the data on the website.

CHAIRMAN ZOOK says the amendment doesn't say they should do it if they can, it says they "shall."

REP. LINDEEN withdrew the motion. She said she would re-work this with the department.

ADJOURNMENT

Adjournment: 6:07 P.M.

SEN. TOM ZOOK, Chairman

Prudence Gildroy, Secretary

TZ/DL/

EXHIBIT (frs85hb0002aad)